



# GOVERNANCE FOR SUSTAINABLE GROWTH

Vietnam has had considerable success with export-led economic growth in recent years. However, problems with governance and competitiveness represent potential challenges to continued growth and international integration. USAID supports Vietnam to strengthen the country's legal and regulatory framework in order to promote investment, economic growth and rising incomes. Working directly with the Government of Vietnam, the private sector and other stakeholders, USAID supports Vietnam's transition to a rules-based market economy more fully aligned to international markets and standards. This includes support for more transparent and participatory public policy processes, and assistance to help create economic opportunities, particularly for underrepresented and disadvantaged populations, as well as to advance female empowerment.

## ENHANCING INCLUSIVE GOVERNANCE

Implementing USAID's Country Development Cooperation Strategy for Vietnam 2014-2019, the Governance for Inclusive Growth program works with the public and private sector to enhance the areas of governance that facilitate broader-based growth, with an emphasis on improving the regulatory environment, building systems for accountability and increasing social and economic inclusion. The project helps build capacity to improve policymaking through increased access to information for evidence-based decision making (for example building legal case reviews to combat wildlife trafficking), greater citizen participation (for example development of the revised Legal Aid Law), increased transparency and more effective oversight mechanisms (for example development of the Instant Support Systems used for oversight by National Assembly members). A second project - Enhancing Workers' Voices supports Vietnam's trade union by representing workers more effectively, educating them about their rights, and improving access to information. By having better informed and better represented workers, international labor standards will be better respected, and Vietnamese workers will have a greater voice.

## CREATING AN ENABLING BUSINESS ENVIRONMENT

Now in its twelfth year, the Provincial Competitiveness Index (PCI) is a nationally and internationally recognized index ranking measuring the effectiveness of economic governance across Vietnam's 63 provinces. This robust national annual survey of domestic and foreign invested companies provides policy-makers with reliable indicators and recommendations on how to improve local regulatory and institutional quality to support private sector development. Each year, numerous diagnostic workshops at the provincial level provide a unique platform for public-private dialogue. In 2013, the project supported the development and launch of a mobile app to promote wide access to the PCI rankings, report and related data and today, all 63 provinces have PCI improvement plans.

*In the photo: Workshop participants provide feedback on the implementation of a Vietnamese government resolution to improve the business environment and enhance national competitiveness. Photo: USAID/GIG*